

REMARKS

Claims 93, 95, 97 and 98 have been cancelled, without prejudice. Claims 41, 45, 51, 55, 61, 65, 71, 75, 81-92 and 99 have been amended to clarify the invention and better define the invention over the art. New claims 101-142 have been added to further scope the invention. No new matter has been added by any of the foregoing amendments.

Turning first to the objections with respect to claims 85-93 and 95 as set forth in paragraph 1 of the Official Action, claims 85-92 have been amended in a manner believed to obviate this objection, and claims 93 and 95 have been cancelled, thereby rendering moot the objection with respect to these claims.

With reference now to the rejection of claims 81-92 and 97 under 35 USC §101, claims 81-84 have been amended in a manner believed to obviate this rejection, and therefore, the rejection is also believed to have been overcome with respect to claims 85-92, which depend therefrom. Claim 97 has been cancelled, thereby rendering moot the rejection with respect to this claim.

Considering now the rejection of the specification under 35 USC §112, first paragraph, as failing to support the subject matter set forth in claims 81-92, as well as the corresponding rejection of claims 81-92 under 35 USC §112, first paragraph, it is believed that these claims have been misunderstood as originally written, as it is not the transmission/transfer of funds that occurs simultaneously with the receipt of a payment from a payor, but rather, the transmission/transfer of funds occurring concomitantly with the transmission/transfer of data regarding the funds being transmitted. Independent claims 81-84 have been amended to clarify

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this point, which is supported in the specification at page 17, lines 2-12; page 40, line 9 through page 41, line 3; page 44, lines 11-16; and page 46, line 7 through page 48, line 8.

Turning now to the art rejections, and considering first the rejection of claims 41-46 and 49 as anticipated by Powar (U.S. Patent No. 6,438,527), claim 41, as amended, has several limitations not taught in Powar. First, the claim requires “a scanning apparatus configured to permit a cashier to scan said barcode” and also that the transmission/transfer of funds to the biller occurs “based on the identifying data of said barcode and a payment made to said cashier by said customer in person.” Nowhere does Powar teach a system configured for a cashier to scan a barcode on an invoice, and Powar does not teach a method of transferring funds based, in part, on a payment made to a cashier by a customer in person. To the contrary, Powar teaches a system in which a consumer uses a consumer terminal to capture the data from the invoice (col. 4, lines 23-25), and the funds transfer is not based on an in-person payment, but rather on a funds transfer from the consumer’s account at a financial institution (col. 4, lines 31-38; col. 6, lines 27-35). In fact, using Powar’s system, it is impossible for a bill payer to make an in-person payment to a cashier or for a funds transfer to take place based on such a payment. Moreover, claim 41 further requires that the scanning apparatus be capable “of transmitting or initiating transfer of funds to said biller in a predetermined amount and concomitantly transmitting or initiating transfer of data to said biller regarding said payment.” This concomitant transmission of funds and data is nowhere taught in Powar. As shown in FIG. 2 of Powar and described at col. 4, lines 32-41 and col. 6, lines 26-35, in Powar, funds and data are not transmitted concomitantly, but rather separately, as illustrated in FIG. 2, wherein the A/R (accounts receivable) data 210 (misabeled in the figure as “Air” data) travels a

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completely different pathway than the funds moving from consumer bank 212 to biller bank 214. Since Powar does not teach any of the foregoing required features of claim 41, it cannot be said that Powar anticipates claim 41, nor claims 42-46 and 49 which depend therefrom and are patentable for the reasons stated above with respect to claim 41, as well as for their own additional limitations.

Specifically, with regard to claim 43, nowhere does Powar teach the transmission of funds via the Automated Clearing House (ACH). At col. 6, lines 30-44 cited by the Examiner, payment network 208 is mentioned, but nowhere in the specification does Powar mention exactly which payment network is contemplated, although the ACH cannot function in the ways described by Powar (e.g., "automatic match-up of the biller identification field with a biller in network 208", at col. 5, lines 61-62; and validating data using, in part, "consumer-biller account number ranges obtained from payment network 208", at col. 6, lines 16-17). Further, the VISA logo 406 described with reference to Powar's FIG. 4C (col. 5, line 14) and the fact that the assignee of Powar's patent is VISA International Service Association are strong indicators that the network used is VisaNet®, but no indication is given that the ACH was contemplated by Powar as a network that would serve the purposes of his invention.

Moreover, with respect to claim 45, wherein the Examiner states that data comprising the date and time the customer makes the payment is inherent "since data capture replaces a remittance stub," this assertion is incorrect. Nowhere does Powar state how date and time of payment are recorded, nor transmitted to the biller. This distinction is critical, as none of the prior art references cited by the Examiner teaches a way for date and time of payment to be

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collected at the place of payment and transmitted to the biller, for purposes of updating the biller's accounts receivable. With respect to "inherency," the Federal Circuit has held that:

If the prior art reference does not expressly set forth a particular element of the claim, that reference still may anticipate if that element is 'inherent' in its disclosure. To establish inherency, the extrinsic evidence must make clear that the missing descriptive matter is necessarily present in the thing described in the reference, and that it would be so recognized by persons of ordinary skill.

In re Schreiber, 128 F.3rd 1473, 1477 (Fed. Cir. 1997).

For the principles of inherency to apply here, date and time of payment information would, by definition, have to be transmitted with every payment taught in Powar. However, as explained in the introductory comments above, date and time of payment information has traditionally neither been captured nor transmitted at any point in the payment process. Thus, this feature cannot be inherent.

Likewise, the Examiner rejects claim 46, which requires that the scanning apparatus be integrated into a point-of-sale system, by stating that "an integrated telephone" is equivalent to a point-of-sale system. This conclusion is misplaced, as a point-of-sale system is adapted to scan ordinary retail items, and an integrated telephone as described in Powar at col. 6, lines 4-6, is nothing of the sort.

Regarding claim 49, the Examiner again argues that the assignment of biller data by a central registry authority is inherent in Powar because Powar is an electronic statement presentment system. To the contrary, Powar does not even require that each biller be assigned a unique number (see, e.g., col. 5, lines 57-59, wherein Powar states that "sufficient biller data to uniquely identify biller B is encoded" where a biller reference number is not used).

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Nowhere does Powar describe the mechanism whereby a biller reference number is assigned, and moreover, Applicants' system is not an electronic bill presentment system as is Powar, but rather purely a payment system, and Powar certainly gives no indication that assignment of biller identification from a central registry might be used in a bill payment-only system. For these reasons, the Examiner's assertion that the limitations of claim 49 are inherent is incorrect.

Applicants further note the Examiner's reference to claim 93 in this art rejection, and respectfully state that this claim has been cancelled, thereby rendering moot this apparent rejection.

Considering now the rejection of claims 46-48 and 50 as obvious over Powar in view of Remington et al. (U.S. Patent No. 6,070,150), the Examiner acknowledges that the limitations of claims 46, 47 and 48 are nowhere taught in Powar or Remington et al., yet cites several cases for the proposition that "the location where the process is performed ... would be within the level of ordinary skill in the art." The cited cases are inapplicable to the Application at hand. The *Larson* case deals with whether an integral, i.e., one-piece construction, is patentable over a multi-piece construction, and the *Stevens* case deals with adjustability as an item of patentable weight. The *Lindberg* and *Dulberg* cases both deal with applicants arguing unclaimed features in support of patentability. None of these instances is relevant to Applicants' invention, which deals neither with an integral construction, nor adjustability, nor are Applicants arguing unclaimed features. To the contrary, Applicants have claimed the locations in claim 47 that do have patentable weight, as this claim covers embodiments of Applicants' invention wherein the bill payment system exists in a retail environment (rather than a home-banking type environment) and, e.g, is integrated into a retail point-of-sale UPC-

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code scanning system. Since Powar and Remington et al. do not teach all of the elements of any of claims 46-48, these claims are patentable over the cited references, and the art rejection should be withdrawn.

Likewise, the Examiner's rejection of claim 50 as obvious over Powar in view of Remington et al. cannot be maintained, as neither of these references teaches printing a receipt evidencing payment. While the Examiner may be correct that printing receipt of payment at the location of payment is an old and well known business practice, a receipt of payment for an invoice in the context of a bill payment system having all the limitations of claim 50 and claim 41 from which it depends is not "old and well known," and certainly not obvious over the cited references. For this reason, the obviousness rejection with respect to claim 50 is improper and should therefore be withdrawn.

The foregoing arguments also apply to the Examiner's rejection of claims 56-60, which contain similar limitations to those of claims 46-50.

Now considering the rejection of claims 51-73 as obvious over Powar and further in view of Thomas et al. (U.S. Patent No. 6,317,745), claim 51 has been amended to require that the transmission of funds be based, in part, on "a payment made by said customer in person to said third party." Powar and Thomas et al. are both home-banking type bill presentment and payment systems, and neither describes how a payment made in person to a third party could be used to transmit funds to a biller. The mere fact that "bill payments and systems thereof are well known wherein third parties carries out process for affecting [sic] bill payment on behalf of a plurality of bill payors and a plurality of billers" as disclosed by Thomas et al., is irrelevant, as nowhere does this reference teach how this could be achieved. Moreover, the

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Examiner's assertion that having a third party carry out bill payment based on bar-coded data is obvious "because this would alleviate the need of having the scanning equipment at the customer's premise and thus simplify the bill payment process" is not based on any teaching of either of the cited references, and it is submitted that the Examiner is applying impermissible hindsight in an attempt to make out a case for obviousness where the references provide no such basis. Furthermore, neither Powar nor Thomas et al. teaches the concomitant transmission of funds and data, as argued above with respect to claim 41. Therefore, the rejection of claims 51-73 as obvious over Powar in view of Thomas et al. is in error and should be withdrawn.

The foregoing arguments also apply to claims 52-60, which contain similar limitations to those of claims 42-50.

Also, the Examiner references claims 93 and 94 in this rejection, but fails to provide any basis for rejecting these claims. Applicants are therefore unable to address specifically or substantively the rejection of claims 93 and 94, but affirmatively state that these claims are not unpatentable as obvious over Powar in view of Thomas et al.

Turning now to the rejection of claims 51-80, 94-96 and 98 as obvious over Powar in view of Remington et al., Applicants respectfully submit that this rejection is also made in error. As argued above, neither Powar nor Remington et al. teaches a system capable of concomitantly transmitting funds and data based in part on "a payment made by said customer in person to said third party," as Powar and Remington et al. are both directed to home banking type bill payment systems, and neither reference teaches the concomitant transmission of funds and data to the biller. Claim 51 is therefore patentable over the cited references, as are

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claims 52-60, which depend therefrom and are patentable for the reasons stated with respect to claim 51, as well as for their own additional limitations.

Claim 98 has been cancelled, thereby rendering moot the art rejection with respect to this claim, and once again, the Examiner rejects claims 93 and 94 without stating any specific basis for such rejection. Applicants submit that these claims are patentable over the references cited, as are claims 52-60, which contain similar limitations to those claims 42-50.

Regarding the rejection of claim 61, apparently also rejected as obvious Powar in view of Remington et al., claim 61, as amended, also requires that the transmission or transfer of funds be based, in part, on "a payment made by said customer in person to said third party," and further requires the concomitant transmission or transfer of funds and data. None of these limitations is taught by Powar or Remington et al., and therefore, the obviousness rejection with respect to claim 61 is in error and should be withdrawn.

Likewise, claims 62-70, which depend from claim 61, are patentable for their own limitations, as well as for the reasons adduced herein with respect to claim 61.

Since claims 93 and 95 have been cancelled, the art rejections with respect to these claims are moot.

Considering now the rejection of claim 71 as obvious over Powar in view of Remington et al., claim 71, as amended, requires the step of "receiving a payment from said customer in person," and also requires the step of transmitting or transferring funds concomitantly with data. Neither of these limitations is taught in Powar or Remington et al., and therefore, this rejection is in error and should be withdrawn.

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Claims 72-80 are similarly patentable for the reasons stated with respect to claim 71, as well as for their own additional limitations.

Again, claim 96 apparently stands rejected, although the Examiner has provided no specific basis for such rejection with respect to Remington et al. or Powar, and Applicants respectfully submit that claim 96 is patentable over the cited references.

Turning now to the rejection of claims 81-84 as obvious over Kitchen et al. (U.S. Patent No. 6,289,322) in view of Comer et al. (U.S. Patent No. 5,596,501), Applicants respectfully submit that this rejection has also been made in error. Claim 81, as amended, requires "a payment system adapted to transmit or initiate transfer of funds to a payee in a predetermined amount based on a payment from a payor in the form of a physical payment instrument" (emphasis added). Claim 81 further requires the concomitant transmission of funds and data. Claim 81 also requires the presence of "a payee accounts receivable system adapted to receive said data and to credit an account corresponding to said payor in the amount of said payment as of said date and time said payment system received said payment from said payor." Applicants respectfully submit that neither Kitchen et al. nor Comer et al. teaches any of these features of claim 81. Moreover, despite the Examiner's assertion that Comer et al. is in the same field of endeavor as Kitchen et al., Kitchen teaches an electronic bill presentment and payment system, whereas Comer et al. teaches a system for dispensing fuel at remote locations, and Applicants respectfully submit that these two references are not analogous art. Indeed, neither Kitchen et al. nor Comer et al. gives any suggestion or teaching as to how the date and time a physical payment instrument is used to effect payment could possibly be transmitted to a payee. For

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these reasons, claim 81 is clearly patentable over Kitchen et al. and Comer et al., and the rejection of claim 81 should therefore be withdrawn.

Claims 82-84 all contain similar limitations to those of claim 81, including the requirement that either a physical payment instrument be used or that a payor make a payment in person by a cashier; that funds and data be concomitantly transmitted or transferred; and that a biller accounts receivable system be provided with data including the date and time of payment. Since none of these limitations are taught in Kitchen et al. or Comer et al., the rejection of claims 82-84 as obvious over Kitchen et al. in view of Comer et al. should be withdrawn.

Claims 85-92 all depend from claims 81-84 and are therefore patentable for the reasons given above with respect to claims 81-84, as well as for their own additional limitations.

Regarding the rejection of claim 97 as obvious over Powar in view of Comer et al., claim 97 has been cancelled, thereby rendering moot this art rejection.

Turning now to the rejection of claim 99 as obvious over Kitchen et al. in view of Powar, claim 99, as amended, requires several steps not taught in Kitchen et al. or Powar. Neither of these references teaches "making available to one or more billers a standard format for representing on a printed document data including biller identification and a biller account identifier corresponding to said customer." Neither reference teaches the use of a scanning apparatus to read data in such a standardized format, nor to provide such scanning apparatus at one or more locations of one or more third parties. Neither Kitchen et al. nor Powar teaches concomitantly transmitting funds and payment information to a biller, and neither reference teaches a method for effecting bill payment "wherein the only personal information of the

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customer used in said transfer or transmission of funds is said biller account identifier.”

Therefore, it cannot be said that claim 99 is obvious over Kitchen et al. in view of Powar, and this rejection should be withdrawn.

With respect to the rejection of claim 100 as obvious over Kitchen et al. and Powar in view of Comer et al., claim 100 is patentable for the reasons stated above with respect to claim 99, as well as for its own additional limitations, namely that data comprising the date and time of the payment is made being transmitted to the biller concomitantly with the transfer of funds. None of these references teaches how this might be achieved, and therefore, none of these references can render obvious claim 100.

Claims 101 through 142 have been added to further scope the invention, and these claims are all believed to be patentable over the cited references. Specifically, independent claims 101, 111, 121 and 131 all contain a requirement that funds and data are concomitantly transmitted, as well as the requirement that the only personal information of the customer used in said transfer or transmission of funds be a biller account identifier, i.e., the person paying the bill does not need to disclose any personal information, such as a checking account number, in order to have the bill paid. Neither of these limitations is taught by any of the references cited and discussed herein. Claims 102-110, 112-120, 122-130, and 132-140 depend from claims 101, 111, 121 and 131, respectively, and are patentable for these same reasons, as well as for their own additional limitations. Claim 141 is drawn to the novel step of using the customer name field and/or user designated discretionary field of the ACH specification to transmit data regarding either (1) a local retail transaction number providing traceback information either as a reference link back to a store transaction log or as a reference link back to an electronic

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transaction database; and/or (2) the precise date and/or time and/or place the payment is made, since the ACH specification does not otherwise contain fields for transmitting such data. Claim 142 is drawn to the novel step of using the customer name field of a formal data specification in any payment network to transmit data regarding either (1) a local retail transaction number providing traceback information either as a reference link back to a store transaction log or as a reference link back to an electronic transaction database; and/or (2) the precise date and/or time and/or place the payment is made, where that specification does not otherwise contain fields for transmitting such data. These new claims are all believed to be in condition for allowance as written.

A credit card payment Form PTO-2038 authorizing a charge of \$474.00 in payment of the added claims accompanies this Amendment. In the event there are any fee deficiencies or additional fees are payable, please charge them (or credit any overpayment) to our Deposit Account No. 08-1391.

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